

30 Nov 2019: UPSC Exam Comprehensive News Analysis

TABLE OF CONTENTS

A.GS1 Related

B.GS2 Related

POLITY AND GOVERNANCE

1. Plea to stay electoral bond scheme

C.GS3 Related

ECONOMY

1. GDP growth plunges to 4.5%, lowest since 2012
2. 'Recognise real fiscal deficit, put cash in people's hands'

ENVIRONMENT AND ECOLOGY

1. Warmer winter likely this year: IMD

D.GS4 Related

E. Editorials

ART AND CULTURE

1. Bringing back treasures

HEALTH

1. Getting organ donation to tick again

F. Tidbits

1. Vulture conservation centre in U.P.
2. Core sector contracts
3. Fiscal deficit hits 102% of estimate
4. CJI to share PIL cases with 3 seniors
5. Rain in Punjab and Haryana to boost wheat crop
6. POCSO Act rules displayed in Gurugram police stations
7. Bill to amend Arms Act tabled in LS

8. Reserve Bank files insolvency plea against Dewan Housing

G. Prelims Fact

1. 16 seismometers defunct in earthquake-prone zones
2. DRDO defends Nag missiles
3. Plea to shift private Bills to Wednesday

H. Practice Questions for UPSC Prelims Exam

I. Practice Questions for UPSC Mains Exam

A. GS1 Related

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B. GS2 Related

Category: **POLITY AND GOVERNANCE**

1. Plea to stay electoral bond scheme

Context:

A plea has been filed in the Supreme Court by the **Association for Democratic Reforms (ADR)** seeking a stay on the implementation of the **Electoral Bond Scheme, 2018**.

Details:

A plea has been filed stating that it has opened the floodgates of unlimited corporate donations to political parties and anonymous financing by Indian and foreign companies that can have serious **repercussions on democracy**.

Concerns:

- **Amendments made to the Finance Acts of 2017 and 2016, both passed as Money Bills**, have facilitated unlimited political donations, legitimizing electoral corruption on a huge scale, while at the same time ensuring complete **non-transparency in political funding**.
- **The Finance Act of 2017 had introduced the use of electoral bonds which is exempt from disclosure under the Representation of the People Act, 1951, opening doors to unchecked, unknown funding to political parties.**
- The amendments have also **removed the existing cap (of 7.5% of net profit in the last three years) on campaign donations by companies** and have legalized anonymous donations and facilitated unlimited political donations.
- The use of electoral bonds for political donations is a cause for concern because they

are in the nature of **bearer bonds and the identity of the donor is kept anonymous**. Political parties are not required to disclose the name of the person/entity donating to a party through electoral bonds. Since the bonds are bearer instruments and have to be physically given to the political parties for them to encash, parties will know who is donating to them. It is only the general citizens who will not know who is donating to which party.

- Further, it opens up the possibility of companies being brought into existence by unscrupulous elements primarily for routing funds to political parties. This throws up the possibility of illicit and foreign funding of political parties and a **lack of transparency in the accounts of all political parties**.

C. GS3 Related

Category: ECONOMY

1. GDP growth plunges to 4.5%, lowest since 2012

Context:

Economic data has been released for the second quarter of the financial year 2019-20.

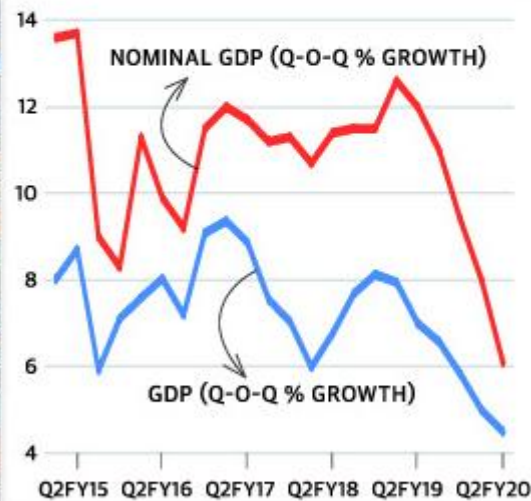
Details:

- Growth in the **Gross Domestic Product (GDP)** in the July-September quarter (Q2) hit a **25-quarter low of 4.5%**.
- Growth in **Gross Value Added (GVA)** also **dipped to 4.3%** in Q2 of 2019-20 from 4.9% in Q1, and 6.9% in the Q2 of 2018-19.
- According to the data released, the **manufacturing sector contracted 1%** in the second quarter of the current financial year, compared with robust growth of 6.9% in the same quarter of the previous year.
- The **agriculture sector and 'Financial, Real Estate & Professional Services' category saw slower growth**.
- Among the services sectors measured, only the **'Public Administration, Defence & Other Services' category saw growth quicken in the second quarter of this year**, to 11.6%, compared with 8.6% in the same quarter of the previous year.
- **Private final consumption expenditure**, the closest proxy in the data to a measure of consumption demand, **grew 06%** in the second quarter of this financial year, compared with a growth of 3.14% in the first quarter. However, the growth in the second quarter this year is still significantly lower than the growth of 9.79% recorded in the second quarter of the previous year.

- **Gross fixed capital formation**, which is a measure of the level of investment in the country by both the government and the private sector, **grew only 1.02%** in the second quarter of this financial year, compared with a growth of 4.04% in the first quarter, and drastically lower than the growth of 11.8% seen in the Q2 of last year.

In slump mode

In the July to September 2019 quarter, both the nominal GDP (which includes inflation) and the real GDP grew at the slowest-ever pace since 2014



■ GDP growth rate fell for the sixth consecutive quarter

■ Manufacturing sector contracted by 1% in the latest quarter

Government's stand:

- Parliament has been holding day-long discussions on the **economic slowdown**, with Union Finance Minister assuring the Rajya Sabha that the country is not in recession.
- The government officials have stated that the fundamentals of the Indian economy remain strong and GDP growth is expected to pick up from the third quarter of FY 2019-20.
- Notable points include the fact that **inflation has been kept low, fiscal spending has been disciplined, and the current account deficit is under control.**
- The **International Monetary Fund has projected India's GDP growth at 6.1% in the financial year 2019-20 and 7% in 2020-21 in its October 2019 report.**
- Though India had witnessed a slowdown, it is important to understand the various factors feeding into the slowdown, especially the **cyclical ones.**

2. 'Recognise real fiscal deficit, put cash in people's hands'

Context:

Economic data has been released for the second quarter of the financial year 2019-20.

Details:

- “The **government needs to acknowledge its true fiscal deficit** so that it can **increase its expenditure and put money in people’s hands in order to stimulate demand and investments in the economy**”, economists have said in reaction to the 25-quarter low GDP growth figure.
- It was observed that there is a need to recognize that there exists a real, genuine **problem on the demand side**, and there is a problem with people’s incomes, and the government needs to conduct expenditures that will prop this up. A similar observation was also made by the CAG for 2017-18.
- The role of **putting cash into the economy is relevant for the unorganized sector**. It is quite important for them because **they are a cash economy**. As far as the overall growth impetus is concerned, getting the unorganized sector going is important because, in the **past Indian slowdowns, the unorganized sector had played important role in recovery**.
- When the big companies are doing badly, it has been the smaller companies that have been able to secure credit from the banks and invest. But that is not happening now because the banks have been sceptical to extend loans in the backdrop of the issue of Non-performing assets (NPA) and the smaller players do not have the cash to invest.
- Whichever way the data is dissected, there is **broad based slowdown**. Whether one looks at services or industry, or government versus private, slowdown is pretty evident.
- The number would have been even worse had the net exports not contributed.
- **India is a trade deficit economy; whenever it is wider, it takes away a few percentage points from the Indian GDP**. But this time, **because the trade deficit reduced on the back of lower import and weaker demand, it actually contributed to GDP growth**.

C. GS3 Related

Category: ENVIRONMENT AND ECOLOGY

1. Warmer winter likely this year: IMD

Context:

India Meteorological Department has published the winter forecast report.

Details:

- Winter is likely to be warmer than average, with **the India Meteorological Department (IMD)** forecasting average minimum temperatures to be “warmer than average” over most of India.
- **India’s ‘core cold wave’ zone** covers Punjab, Himachal Pradesh, Uttarakhand, Delhi, Haryana, Rajasthan, Uttar Pradesh, Gujarat, Madhya Pradesh, Chhattisgarh, Bihar, Jharkhand, West Bengal, Odisha, and Telangana. Temperatures in these States, too, are expected to be on the higher side.
- **A trigger for the warm winters is the warm surface waters of the equatorial Pacific Ocean.**
- Overall, winter temperatures have been on the rise. The IMD started issuing winter forecasts in 2016 and, except for 2017, had forecast warm winters for all years since then.
- **Warm winters, experts say, are a sign of global warming. India on average is 0.5 degrees Celsius warmer than 50 years ago. Rising temperatures lead to warmer than average ground temperatures and consequently a rise in minimum temperatures.**
- **Overall global temperatures are on the rise, with several studies indicating an increase by 1 degree Celsius over pre-industrial levels.** At current projections, the global temperature is expected to rise 3.2 degrees Celsius by the end of the century and **intensify severe weather events.**

D. GS4 Related

Nothing here for today!!!

E. Editorials

Category: ART AND CULTURE

1. Bringing back treasures

Context:

- During his visits to India in January 2020, the Australian Prime Minister will not only bring with him the goodwill of his country, but also three priceless cultural artefacts.
- The National Gallery of Australia (NGA) voluntarily deaccessioned and returned them to India after establishing that they were, in fact, stolen.

Details:

- The sculptures, include a pair of dwarapalas (door guardians) from Tamil Nadu and one nagaraja (serpent king) from either Rajasthan or Madhya Pradesh.
- This is another demonstration of deep relationship between Australia and India.
- This 'cultural repatriation' comes in the wake of a similar, return of idols in 2016, when Washington handed over around 200 sculpture pieces valued at \$100 million to India during Prime Minister Modi's U.S. visit.

Issue:

- Increasingly, it has become evident that India's historical artefacts, a treasure-trove of a rich cultural legacy and religious significance, are strewn across far-flung lands, the result of decades of trafficking.
- At the heart of the most extensive and ruthless of smuggling rings is one man, Subhash Kapoor, who allegedly has taken the illicit trade in antiquities to a truly global scale.
- The NGA, like many U.S. museums and art galleries, had obtained artefacts from Kapoor in good faith, yet rigorous provenance research had proved that their acquisition was a mistake.
- The problem is complicated by the fact that even among Indian institutions, the inventory documentation of idols is poor.
 - Southern Tamil Nadu, for instance, has many ancient temples, most situated in small, abandoned premises of a village, where even local residents have no recollection of what idol was originally within the temple, let alone questions of safeguarding the structure.
 - Further, investigative reports, have revealed the extent to which certain sections of law enforcement have tacitly abetted the loot.

Way forward:

- Major institutional reforms are required to end the operations of smugglers.
- In the global arena, India would do well to leverage the power of the 1970 UNESCO Convention on the Means of Prohibiting and Preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property.
 - Most major western nations are signatories and the Prime Minister would be well within his rights to demand that they institute stricter vetting protocols for international trade in historical artefacts.

Unless such multi-pronged action is taken by the government, targeting loopholes in domestic legislation and enforcement, idol trafficking will continue to erode India's invaluable cultural heritage.

Category: HEALTH

1. Getting organ donation to tick again

Context:

Organ Donation Day is observed by the Government of India on the 30th of November. Organ donation day is observed with the primary objective of promoting organ donation and transplantation so that number of persons suffering from organ failure, such as the kidneys and liver, can get a new lease of life using organs gifted by others who have lost their lives (in road accidents or other reasons).

Factors undermining altruistic organ donation:

- As India honours the donation process, and distributes awards to donor families, it also needs to reflect on certain negative perceptions that appear to be growing and undermining the altruistic donation mindset of donor families.
- A classic example of this is the steep drop seen in Kerala — from 76 deceased donors in 2015 to eight in 2018 — due to a perceived, however unfounded, scandal that private hospitals were declaring persons brain dead when they were not really so, in order to harvest their organs and profit from them.

What are the issues?

- The underlying factor for altruistic organ donation being undermined is the highly privatised health-care system in India and the growing trust gap between patients and doctors trapped in the profit-seeking business of tertiary care; seeking second and third opinion on patient treatment is commonplace today.
- While an organ comes free, as donated to society, transplanting it to another person costs anywhere between 5 lakh and Rs. 25 lakh, including profit to the hospital. This explains the presence of unavoidable suspicion that unethical practices may take place in the health care sector.
- The reality is that a majority of accident victims who become donors are lower middle class and below, while the majority of organ recipients are from the small number of persons who can afford transplant surgery and costly lifetime medication thereafter.
- The cost factor is the key reason why more than three quarters of donated hearts

and lungs do not get taken.

Can the Public hospitals help?

- Though a common solution to this, is that public hospitals should chip in and help the poor, very few public hospitals in the country do kidney transplants and less than five do liver and heart transplants.
- In a country where public expenditure on health care remains an abysmal 1.2% of GDP — less than a third of what even some developing countries spend — priority should be on spending the limited allocation on areas that would benefit the greatest number of persons.
- A given amount, if spent on organ failure prevention will save many more lives than if spent on organ transplant.
 - A World Health Organisation Consultative Group in its 2014 report points to a study in Thailand which finds that money spent on dialysis can save 300 times more healthy life years if spent on tuberculosis control.
 - It considers expansion of low- and medium-priority services before near-universal coverage of high priority services as an “unacceptable trade-off” and does not include dialysis or organ transplantation even in the low-priority category.

Are there any solutions to these issues of trust gap and inequality?

- Only steps to moderate are possible in these deep-rooted societal fault lines. One usual approach is to regulate hospitals through acts and rules.
 - In the 25th year of the Transplantation of Human Organs Act, 1994, it is time to revisit its effectiveness.
- Substitution of bureaucratic procedures for hospital and transplant approval by self-declaration and mandatory sample verification involving civil society will improve compliance — as proved in other countries — and will also help get more hospitals involved.
- Further amendment is needed to ensure full State autonomy in this area, avoiding the Central government’s interference in organ distribution, which is now demotivating many hospitals.
- All State organ distribution agencies need to make their operations fully transparent. Steps such as making online organ distribution norms and the full details on every organ donation will help build public confidence in the system.
- As for “organs from poor to rich” some moderation of the inequality in our country is

called for, especially as India figures in the top 10% of unequal countries in the world and among the top 10% of high proportion population spending more than a tenth of their income on health. This must also be considered in light of the fact that the organ comes totally free to a hospital from a donor.

- One approach could be to mandate that every third or fourth transplant done in a private hospital should be done free of cost to a public hospital patient. This will amount to cross-subsidisation, with the hospital, the doctor and the recipient footing the bill for free surgery to the section of the population that donates a majority of organs.

Though some of these solutions may not please present stakeholders in this field there is a need for serious discussions on how to address the trust gap and inequality that are factors impacting family consent for organ donation.

F. Tidbits

1. Vulture conservation centre in U.P.

- Uttar Pradesh is set to get its first conservation center for endangered vultures, named The Jatayu Conservation and Breeding Centre, in eastern U.P.'s Maharajganj district.

2. Core sector contracts

- Activity in the core sectors of the economy contracted for the second consecutive month, by 5.8% in October 2019, in large part due to contractions in the electricity and coal sectors.
- The Index of Eight Core Industries contracted in October compared with a contraction of 5.1% in September.
- The refinery products sector was one of the two sectors that witnessed growth in October, the other being the fertilizer sector.

3. Fiscal deficit hits 102% of estimate

- The country's fiscal deficit hit 102.4% of the 2019-20 Budget Estimate at Rs. 7.2 lakh crore at the end of October, government data showed.
- The Centre has estimated the fiscal deficit for the current financial year at Rs. 7.03 lakh crore, aiming to restrict the deficit to 3.3% of the GDP. In September, the government decided to lower the tax rate for corporates, a move that will have a Rs. 1.45 lakh crore impact on revenue mobilization.

4. CJI to share PIL cases with 3 seniors

- Chief Justice of India Sharad A. Bobde has decided to share the public interest jurisdiction, which forms a major chunk of cases in the Supreme Court and catapults the court often into the public eye, with three of his senior-most colleagues and members of his Collegium.
- A new subject-wise roster for allocation of cases was first published after an unprecedented press conference was held by four senior-most Supreme Court judges in 2018, over “selective” allocation of sensitive cases by successive CJs to certain Benches. That roster was implemented from February 5, 2018.

5. Rain in Punjab and Haryana to boost wheat crop

- Widespread rain in Punjab and Haryana is expected to boost wheat crop sowing this rabi season. Both States are major contributors of wheat to the central pool.
- An expected drop in minimum temperature during the first week of December would also help the temperature-sensitive wheat crop, which needs cold conditions to thrive.
- Wheat is sown between late October till December while the harvesting starts from April onwards.

6. POCSO Act rules displayed in Gurugram police stations

- Flow charts containing details of legal provisions under the Protection of Children from Sexual Offences (POCSO) Act and Juvenile Justice Act have been put up in the police stations of Gurugram Police to create awareness among the staff and the victims about the laws concerning children.

7. Bill to amend Arms Act tabled in LS

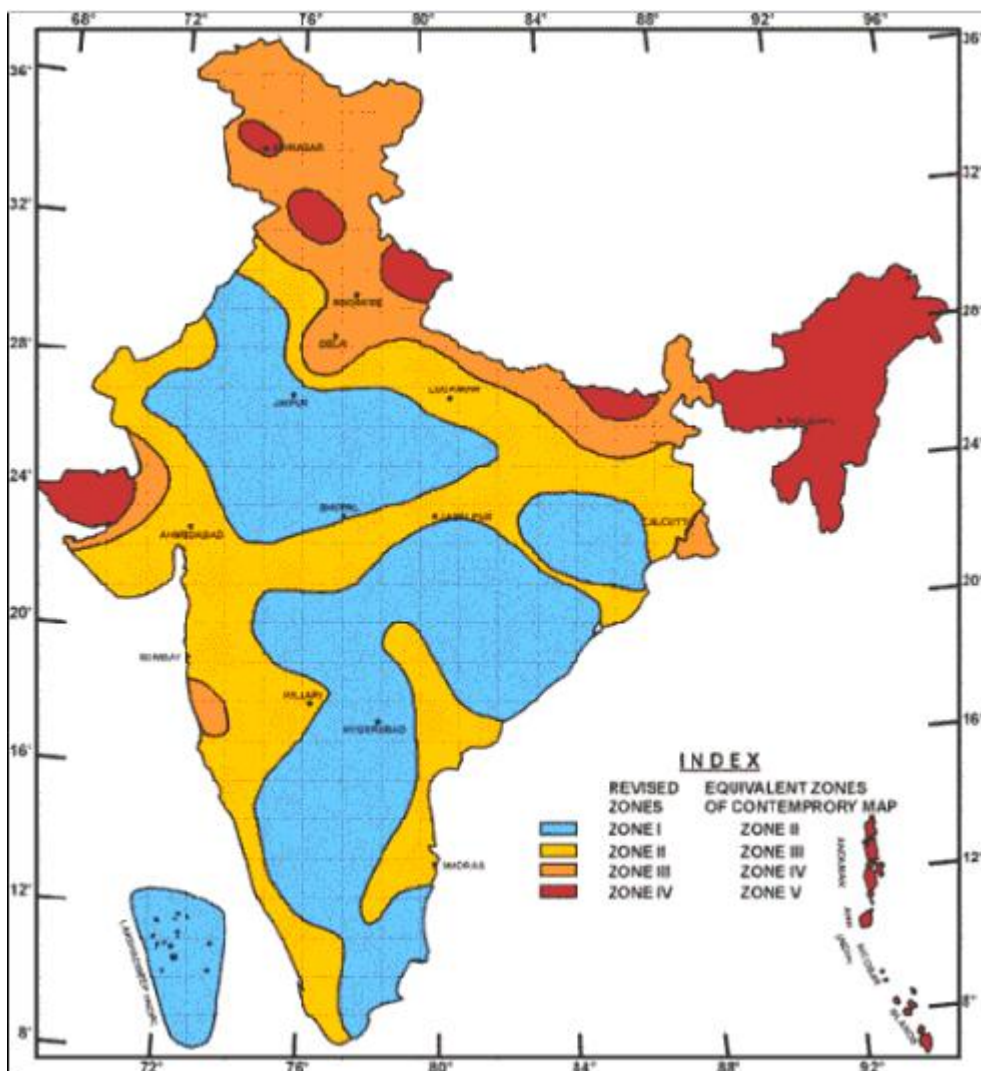
- Union Minister for State for Home Affairs G. Kishan Reddy introduced a Bill in the Lok Sabha that seeks to enhance the punishment for illegally possessing and making prohibited arms.
- The Arms Act (Amendment) Bill prescribes that a person can have a maximum of two licensed firearms and will have to deposit the third one (allowed under the present norms) with authorities or authorized gun dealers for de-licensing within 90 days of Parliament passing the amended Act.
- The government has also proposed to amend Section 25 (1AA) of the Arms Act, 1959, thereby enhancing punishment from the usual life term of 14 years to imprisonment for the remainder of that person’s life” for manufacturing, selling, repairing and possessing prohibited arms.

8. Reserve Bank files insolvency plea against Dewan Housing

- The Reserve Bank of India (RBI) has filed an insolvency application against troubled mortgage lender Dewan Housing Finance Corporation Ltd. (DHFL) at the bench of the National Company Law Tribunal.
- This will be the first instance of bankruptcy proceedings against a financial services company after the government issued a notification specifying the categories of financial service providers that can be taken up for resolution under the generic framework of the Insolvency and Bankruptcy Code (IBC).

G. Prelims Facts

1. 16 seismometers defunct in earthquake-prone zones



Seismic Zones in India

- A **seismometer** is an instrument used to measure and record earthquakes.
- A **seismograph** is a generic term used to describe a recording device that **detects ground motion due to earthquakes**. Typically this will comprise a recorder and a seismometer, which is a sensor that **detects the velocity of the ground**.

Seismometers are **usually very sensitive** and will easily detect a typical quarry blast at a range of 100km.

- An **accelerograph** is a recorder that **uses an accelerometer**, which measures the acceleration of the ground. **Accelerometers are much less sensitive than seismometers, but have a much greater range, detecting $\pm 2g$ or more of ground acceleration.**
- Seismometers are good for detecting very small levels of ground motion (from very small or very distant events), and accelerometers are good at recording strong ground motion that is potentially damaging at the recording location.

2. DRDO defends Nag missiles

- Nag, the 3rd generation indigenous Anti-Tank Guided Missile (ATGM), is in advanced stages of development, the Defence Research and Development Organisation (DRDO) has said.
- A new Man-Portable ATGM (MPATGM) considered fourth-generation ATGM is in advanced stages of trials.

3. Plea to shift private Bills to Wednesday

- Several members in the Lok Sabha have demanded that private members' Bills should be taken up on Wednesdays instead of Fridays and added that time allotted for this should not be cut short, given that such Bills have a special role in the House.
- Private members' Bills are brought in by MPs (Members of Parliament) who are not Ministers.

H. Practice Questions for UPSC Prelims Exam

Q1. Which of the following statement/s is/are correct with respect to The Tribal Cooperative Marketing Development Federation of India Limited (TRIFED)?

1. It is a national-level apex organization functioning under the administrative control of Ministry of Tribal Affairs.
2. It is engaged in marketing development of tribal products including art and craft items.
3. The products procured by TRIFED are sold through its marketing platform of "Tribes India".

Which of the given statement/s is/are correct?

- a. 1 and 2 only
- b. 1, 2 and 3 only
- c. 1 and 3 only
- d. 2 only

Answer: b

Explanation:

Self-Explanatory

Q2. Which of the following statements are incorrect with respect to the Vishaka guidelines ?

1. It deals with the issue of sexual harassment at workplace.
2. It was prepared by the central government and implemented by the states.

Choose the correct options:

- a. 1 only
- b. 2 only
- c. Neither 1 nor 2
- d. Both 1 and 2

Answer: b

Explanation:

The Vishaka Guidelines were a set of procedural guidelines for use in India in cases of sexual harassment. Recognising sexual harassment at workplace as a 'recurring phenomenon' and the importance of availability of safe working environment, the Supreme Court's 1997 judgment led to the Vishaka guidelines. These were superseded in 2013 by the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Q3. Consider the following statements with respect to Biomining:

1. Biomining is the process of using microorganisms like fungi, bacteria and viruses to extract metals of economic interest from rock ores or mine waste.
2. Biomining techniques can be used for bioremediation, to clean up sites like landfills that have been polluted with metals.
3. The greatest environmental risks with regard to Biomining are related to leakage and treatment of the acidic, metal-rich solution created by the

microbes.

- a. 1 and 2 only
- b. 2 and 3 only
- c. 1, 2 and 3
- d. 1 and 3 only

Answer: b

Explanation:

Biomining is a technique of extracting metals from ores and other solid materials typically using bacteria or fungi. Viruses don't find use in Biomining. Processes involve microbial reactions that can happen anywhere the microbes, rocks, and necessary nutrients, like oxygen, occur together.

Metals, like gold, are not directly dissolved by this microbial process, but are made more accessible to traditional mining techniques because the minerals surrounding these metals are dissolved and removed by microbial processes. When the metal of interest is directly dissolved, the biomining process is called "bioleaching," and when the metal of interest is made more accessible or "enriched" in the material left behind, it is called "biooxidation."

Biomining is an environmentally friendly technique compared to typical mining. Mining releases many pollutants while the only chemicals released from biomining is any metabolites or gasses that the bacteria secrete. The same concept can be used for bioremediation models. Bacteria can be inoculated into environments contaminated with metals, oils, or other toxic compounds. The bacteria can clean the environment by absorbing these toxic compounds to create energy in the cell.

Q4. which of the following statements are correct with regard to Comptroller and Auditor General (CAG) of India?

1.

- 1. It is a constitutional body.
- 2. It audits all receipts and expenditure of the Government of India and has no such obligation with respect to the state governments.

- a. 1 only
- b. 2 only
- c. Neither 1 nor 2
- d. Both 1 and 2

Answer: a

Explanation:

The Comptroller and Auditor General (CAG) of India is an authority, established by Article 148 of the Constitution of India, which audits all receipts and expenditure of the Government of India and the state governments, including those of bodies and authorities substantially financed by the government. The CAG is also the external auditor of Government-owned corporations and conducts supplementary audit of government companies, i.e., any non-banking/ non-insurance company in which Union Government has an equity share of at least 51 per cent or subsidiary companies of existing government companies.

The reports of the CAG are taken into consideration by the Public Accounts Committees (PACs) and Committees on Public Undertakings (COPUs), which are special committees in the Parliament of India and the state legislatures.

The CAG is also the head of the Indian Audit and Accounts Department, the affairs of which are managed by officers of Indian Audit and Accounts Service.

I. Practice Questions for UPSC Mains Exam

1. Discuss the major cropping pattern in India. What are the factors which have resulted in such a cropping pattern? Comment on the effect of Climate change on the cropping pattern. (15 marks, 250 words)
2. Comment on the seismic zones of India. What are the measures necessary to mitigate the effects of earthquakes? (10 marks, 150 words)